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CENTRAL INTELLIGENCE AGENCY  
National Foreign Assessment Center  
6 September 1978

INTELLIGENCE MEMORANDUM

Sudan: The Numayri Regime--Orientation and Prospects

PRINCIPAL JUDGMENTS

Despite recent moves to open up the political process in Sudan, President Numayri, with the support of the armed forces, still holds almost all real power.

--The greatest threat to stability appears to be the possibility of serious anti-government protests over inflation, diminished buying power in key urban areas, and shortages of consumer goods and services. Over the near term, however, the army is probably able and willing to put down any civilian disorders that might occur.

--Over the longer term, unless the hardships affecting the public are eased, public resentment and unhappiness could spread to the military and endanger Numayri's continued rule.

--The return of exiled Ansar leader Sadiq al-Mahdi to Sudan has fragmented the conservative opposition National Front, but it has given Numayri's former enemies an opportunity to build a base of support inside the country that could in time become a challenge to his continued rule.

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--Numayri's effort to achieve reconciliation with his conservative opponents has not as yet brought about the return of a significant number of the estimated 1,000-2,000 armed Ansar dissidents in Libya or some 4,000-6,000 in Ethiopia. Although they are not now a direct threat to the regime, Numayri fears that they may be used in cross-border guerrilla operations into Sudan.

Sudanese foreign policy, which since mid-1971 has become increasingly pro-Western and aligned with that of the conservative Arab states, assumed a somewhat more neutral appearance in the past year.

--Moves to ease strains with Libya and Ethiopia, however, as well as an apparent, although temporary, improvement in Sudanese-Soviet relations, were motivated by security considerations and do not represent a fundamental shift in outlook.

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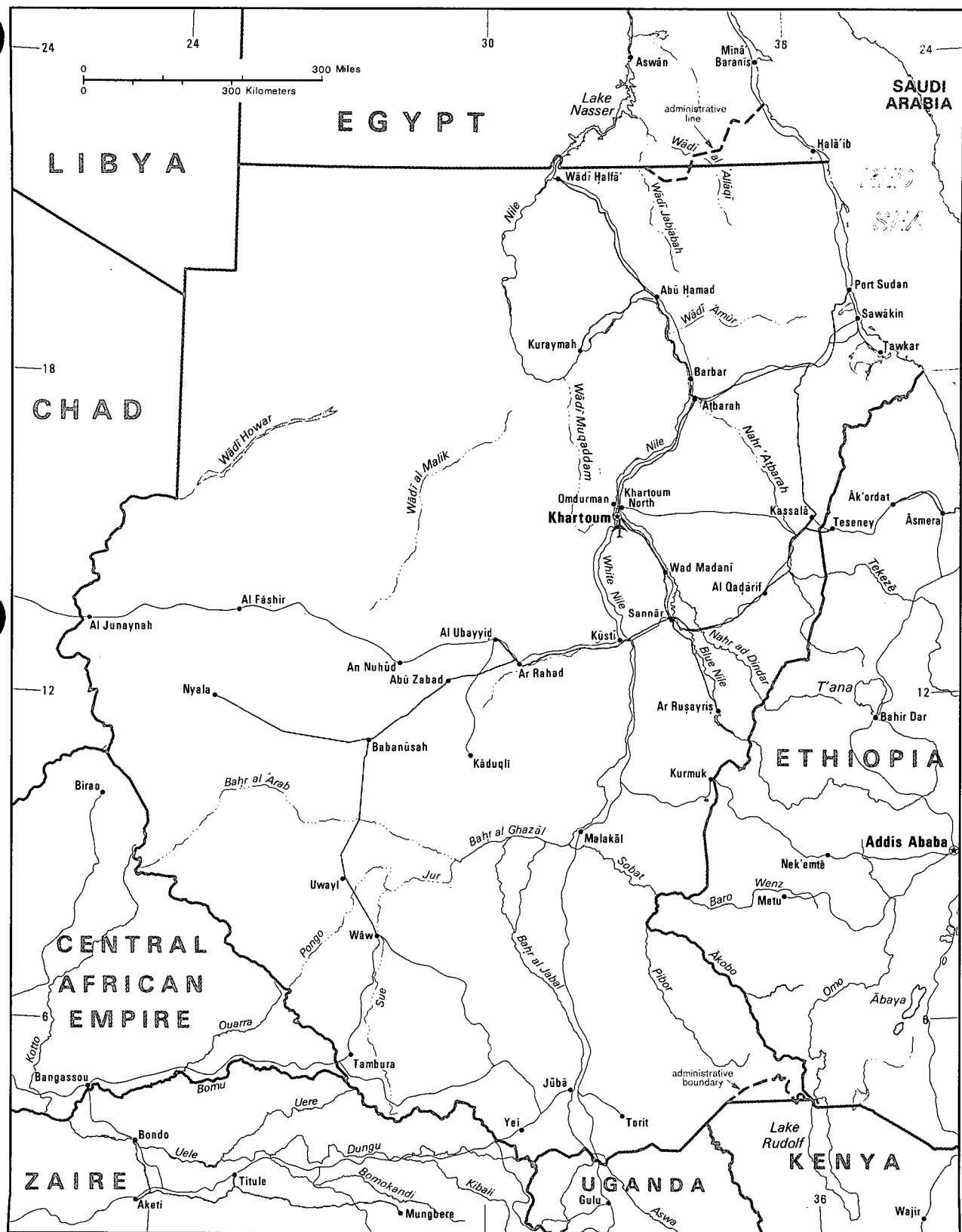
--The Sudanese fear that the conflict between the Mengistu regime and the Eritrean secessionists, if it continues, could spill over to Sudan and involve Sudanese forces. The Sudanese would prefer to see the Eritreans settle for some sort of autonomy because they fear that Marxist elements might dominate an independent Eritrea. As long as the Ethiopians press for a military solution, however, the Sudanese will continue to support the Eritreans

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--Numayri's agreement to International Monetary Fund demands for financial reform, including a currency devaluation and a cut in government expenditures, should provide greater financial stability over the long run. Sudan, however, will continue to need balance-of-payments support for some time.

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# Sudan



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DISCUSSION

Numayri: Demonstrated Survivability

President Jafar Muhammad Numayri has been in power for over nine years, longer than any other Sudanese leader since the country achieved independence in 1956. The 48-year old former army officer has survived three major attempts against his rule. A low-key, unpretentious figure, his staying power has been due to his ability to keep the loyalty of the army and to the flexibility he has demonstrated in dealing with Sudan's problems.

Despite recent moves to create a more open political system, almost all real power still rests with Numayri. As president--elected by plebescite to six-year terms in 1971 and 1977--he appoints the prime minister, cabinet, and vice-presidents, and has frequently shuffled personnel as a means of limiting the prestige and independence of any one individual.

Numayri's close supporters, including the few remaining members of the Revolutionary Command Council formed after the May 1969 coup, are not in a position to challenge him by trying to build an independent base of support. Of the people around him, First Vice President Abu al-Qasim Muhammed Ibrahim appears to be the most important. In the event of Numayri's death, the constitution provides for the first vice president to assume temporarily the presidency; presidential elections are then to be held within 60 days. Ibrahim [REDACTED]

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[REDACTED] holds his position primarily because of his loyalty to Numayri.

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During his first two years in office, Numayri's efforts to create a socialist economy and his determination to destroy the political parties that constituted the principal support of previous regimes brought his government great unpopularity. Although a nationalist or pro-Arab faction of the Sudan Communist Party was the only political group to back the new regime, disagreements between Numayri and the party began to surface shortly after he took power as he sought to limit Communist influence in the government. A doctrinaire faction of the Communist Party, which was headed by party Secretary General Abd al-Khaliq Mahjub, was strongly pro-Soviet and only lukewarm in its support of Numayri. In July 1971, three members of the Revolutionary

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Command Council, with the help of Communists--especially the doctrinaire faction of the party--managed to seize power for three days before being deposed by pro-Numayri forces.

The short-lived "revolution of correction" marked a turning point for Sudanese domestic and foreign policy. After Numayri regained control, he launched an effort to widen his base of support, and moved to address fundamental domestic problems such as the rebellion of the nation's southern, Christian and animist population against the politically dominant Arab Muslims of the north, the lack of public support for the central government, and the need for economic and social development. In the foreign policy field, he made alliances that have tended to promote domestic stability.

#### Dealing With Domestic Opposition

Following the Communist effort to oust him in mid-1971, Numayri began to ease the totalitarian image of the regime and to provide a way for important tribal, religious, and political groups to participate in public affairs. While continuing to retain all real power, he abolished the military-dominated Revolutionary Command Council, promulgated a constitution, held presidential plebescites, established the National Assembly, and created the Sudanese Socialist Union--the sole legal, political organization modeled on its Egyptian counterpart.

These changes, however, were not enough to soften the opposition of the conservative forces which are prominent in the country. A National Front--composed of members of the Ansar Muslim sect, the Khatmiyyah Muslim sect, and the Muslim Brotherhood--was formed and was behind attempts to depose Numayri in September 1975 and July 1976. The Ansar who claim the loyalty of about one-fifth of Sudan's almost 17 million people, were intent on revenging the death of their leader, Imam al-Hadi al-Mahdi, who was killed in a clash with the army in March 1970. Although the leaders of the Khatmiyyah, Sudan's second major Islamic sect, were not as hostile to the Numayri regime as were the Ansar, they objected to its alleged atheism. The Muslim Brotherhood, based largely at the University of Khartoum, had operated as a clandestine organization after Numayri banned political parties in 1969 and jailed its leader, Dr. Hassan al-Turabi. The National Front was under the overall leadership of exiled Ansar leader Sadiq al-Mahdi, the nephew of Imam al-Hadi and a former prime minister, following his release from prison in March 1974.

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Efforts to topple the regime, especially a Libyan-sponsored, Ansar-led coup attempt in July 1976, compelled Numayri to move aggressively to seek a reconciliation with the National Front. Contacts between the regime and the Front, which apparently decided to reconsider its strategy toward the government after the failure of the 1976 coup, began in early 1977, and in July 1977 Numayri and exiled Ansar leader Sadiq al-Mahdi met in Port Sudan. As the price for his return to Sudan and the dissolution of the National Front, Sadiq got Numayri's agreement to liberalize the political system and to adopt a less hostile attitude toward the Ansars. The government has made good on some specific promises made to Sadiq, such as releasing political prisoners, returning confiscated property, and making the Sudanese Socialist Union a more representative mass organization. It is not clear, however, whether Numayri's repeal in early August 1978 of parts of the State Security Act will meet the demands of former opposition politicians for the lifting of restrictions on personal liberties. Another prominent National Front leader, Husayn Sharif al-Hindi, still in exile, has linked his return to Khartoum to the repeal of the State Security Act.

Since the Communists tried to bring him down in July 1971, Numayri has begun a campaign to depict himself as a devout Muslim, a process that accelerated with the initiation of the national reconciliation campaign. At least some of his professions of religious feeling may be inspired by his desire to please the Saudis. As part of the new emphasis on Islamic values, Numayri has apparently sanctioned--or at least tolerated--the resurgence of the Muslim Brotherhood, including its occasional violent activity on the University of Khartoum campus. Hassan al-Turabi was released from jail as part of the national reconciliation and is said to meet often with Numayri. In July 1978, Turabi was appointed Assistant Secretary General for Information and Foreign Affairs in the Sudanese Socialist Union. Numayri would probably crack down on the Brotherhood, however, if it resorts to terrorism in its attempt to promote reactionary Islam.

On balance, the national reconciliation campaign has divided the conservative opposition and reduced the threat of trouble from the right. Even if al-Hindi and those members of the National Front who support him remain in exile, the endorsement of the regime by Sadiq has been a

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big plus for Numayri. Al-Hindi, for his part, is becoming more isolated the longer he remains in exile.

The national reconciliation campaign has not, however, achieved one of its other major objectives--the return of some 4,000-6,000 Ansar dissidents from Ethiopia and some 1,000-2,000 from Libya. [redacted] indicates that the Ethiopians have begun to permit a few of the dissidents to return to Sudan and that the Libyans may be prepared to do the same shortly. As long as a significant portion of these dissidents remain outside of Sudanese control, however, there is the possibility that they can be exploited in anti-Sudan guerrilla operations sponsored by foreign opponents of Numayri.

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On the other side of the political spectrum, the Sudanese Communist Party, regarded as one of the largest (with 10,000 members) and best organized Communist parties in the Arab world prior to the abortive mid-1971 coup, was seriously damaged by the arrest of many of its members and the execution of its senior officials. It is not now regarded as a threat to the government although Sudanese officials admit that it retains the ability to instigate strikes and unrest. As of mid-1978, government officials estimated party membership at slightly more than 2,000 members, and another 8,000 sympathizers. Since 1971, the party has replaced its leadership and is concentrating its efforts on extending its influence in student organizations and labor unions, particularly the Sudan Railway Workers' Trade Union where Communist Party membership is significant. Its titular leader, Muhammad Ibrahim Nujud, is in exile (presumably in Bulgaria).

#### Peace in the South

In February 1972, Numayri and the leaders of the southern rebellion meeting at Addis Ababa agreed to a cease-fire that ended nearly 17 years of fighting. The resentment of the estimated three million southerners, who are ethnically, culturally, and linguistically black African, over economic exploitation, discrimination, and attempts by the largely Arab Muslim northerners to impose their way of life on them had led in 1955 to the outbreak of increasingly intense fighting that brought most development to a standstill and led to the deterioration of what little infrastructure existed in the south. Aware that he could not achieve any measure of political stability while the fighting in the south continued to burden the economy and threatened Sudan's relations with its African neighbors, Numayri finally agreed

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to offer the southern guerrillas a large measure of autonomy. The agreement granted the rebels amnesty and created a Southern Regional Assembly that decides on local matters. The central government in Khartoum retained responsibility for external affairs, defense, currency, communications, immigration, and national development.

Despite the relative tranquility of the last six years, the north-south cleavage remains the most serious division in Sudanese society. The potential for disruptive incidents remains high. Short-lived mutinies by southern army units occurred in 1974, 1975, and 1976 when former rebel enlisted men fired on northern troops as well as on their northern and southern officers. Rioting in Juba in 1974 was apparently a consequence of rumors that Egyptian farmers and troops were moving south in connection with a planned joint Egyptian-Sudanese canal project.

Southern leaders remain anxious over the degree of the Sudan's involvement in Arab affairs, the reconciliation with conservative Muslim groups who, when they were in power, prosecuted the war in the south with great vigor, and what they consider to be steps toward greater Islamization. Most also believe that the south should be getting a greater share of funds spent on development. They are particularly concerned that they receive a fair share of any oil revenues that may result from explorations now being conducted by the Chevron Company. Some of the company's drilling operations are in the south.

As of mid-1978, Numayri was attempting to ease food shortages in the south that had been aggravated by the partial failure of last year's crops and the damage to the transportation system done by recent floods. Numayri and southern leaders apparently agreed that the effort should be given no publicity to avoid northern resentment.

#### Moving Toward Greater Political Tolerance

Since the national reconciliation agreement took effect in mid-1977, Numayri has made progress toward the creation of a more liberal political climate. The country's estimated 1,200 political prisoners, including the last few Communists remaining in custody after the 1971 coup, have been released. Hundreds of other former regime opponents have returned from exile, and some have been given government posts. Ansar leader Sadiq al-Mahdi, for example, has been appointed to

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the Sudanese Socialist Union Political Bureau. For the first time since Numayri seized power, public groups and individuals are expressing views critical of the government. While press freedom is not complete, newspapers now evaluate government policies and actions rather than merely justify them.

The most striking change in the political system was evidenced by the relatively free elections to the National People's Assembly in February 1978. For the first time, the Socialist Union did not nominate candidates, and although it could still prevent some candidates from running, it apparently turned down very few applications from prospective candidates. Party identification was still prohibited, but many regime opponents were elected on the basis of their former party affiliation. As a consequence, a significant number of former opposition politicians--possibly as many as 120-140 in the 304-member body--are now represented in the National Assembly and a more genuine debate of government activity is taking place.

The results of the elections in February to the 110-member Southern Regional Assembly were even more significant. For the first time since the southern rebellion ended in 1972, former rebels were permitted to enter the elections. Almost all of the incumbents, most of whom had been loyal to Khartoum during the insurrection, were defeated. Joseph Lagu, former commander of the rebels who had been made military commander in the south by Numayri after the 1972 Addis Ababa agreement, was elected president of the Higher Executive Council (chief executive officer), replacing Abel Alier, characterized by many observers as an inefficient leader. Lagu has also been selected to head the southern regional secretariat of the Sudan Socialist Union.

Despite these moves toward a freer political climate, Numayri retains firm control of the country. The National Assembly leadership is controlled by Numayri and he has used his power to make 30 direct appointments to the Assembly to name his own supporters, thus avoiding serious legislative challenges on most issues. Former regime opponents are careful not to criticize Numayri directly and there is no doubt that Numayri is prepared to move against those who might mount a serious challenge to his rule.

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### Role of the Military and Security Organizations

The Sudanese armed forces constitute Numayri's principal power base. The army provided the means by which Numayri came to power in May 1969, it proved loyal to him during the conflict with the Ansars in 1970 despite the fact that some 40 percent of the armed forces were nominal members of the Ansar sect, and it was army support that enabled Numayri to regain power following the July 1971 Communist-led coup attempt.

Without at least the acquiescence of a significant part of the military, a move to depose Numayri would have little chance of success. Despite unconfirmed reports of plotting, an anti-Numayri coup, while not impossible, appears highly unlikely over the near term. The regime has made a major effort to keep dissatisfaction in the armed forces at a minimum by improving pay and allowances and by undertaking to modernize the military through the acquisition of Western equipment. In addition, since the 1976 Libyan-backed coup attempt--when some officers may have joined the rebels and only five percent of off duty enlisted men reported for duty a concentrated counterintelligence effort has been conducted within the military. Officers and men are encouraged to report suspicious meetings and disloyal statements by their colleagues.

The Sudanese armed forces--army, 65,000; navy, 1,600; airforce, 1,500, and air defense, 3,000--probably are capable of defending against ground attacks by Sudan's neighbors, with the exception of Egypt and Ethiopia. By the terms of the Addis Ababa agreement, a number of former southern rebels were incorporated into the armed forces, and as of early 1978, some 6,000 former rebels matched by an equal number of northern troops were serving with units in the south. In mid-1978, as a result of Ethiopian operations against the Eritrean rebels, the Sudanese began reinforcing units serving along the eastern border.

In late July, in order to replace weak and ineffective officials, Numayri made major changes in the leadership of the armed forces. He named Gen. Abdel Majid Hamid Khalil, an able professional soldier who is a strong advocate of closer relations with the US, as chief of staff, and assumed the post of defense minister himself.

The consolidation in mid-August 1978 of the Public Security Organization (PSO) and the National Security Organization (NSO) into the State Security Organ (SSO) is also apparently intended to improve efficiency. The creation of the SSO apparently ends the quarrel between the NSO and

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the PSO over which organization would control Sudan's dealings with the Eritrean dissidents, but is unlikely to have any other major effect on Sudanese security policies. The SSO will be headed by the former chief of NSO, Maj. Gen. Umar al-Tayyib, who is close to Numayri.

#### Development Policy and Economic Problems

In early 1978, the Numayri government's effort to deal with the chronic problems of a less developed economy was complicated by a major financial crisis. A deteriorating foreign exchange situation severely limited the flow of essential goods into the country. Growing shortages of food, fuel, and some consumer goods accelerated the inflation rate to 25-30 percent annually, raising the possibility of serious anti-regime protests that could threaten political stability and moderation in Sudan.

Ironically, the immediate cause of Sudan's balance-of-payments plight was an upsurge in development expenditures resulting from stepped-up Arab financial assistance in 1975-77. The wealthy Arab countries began investing heavily in Sudan--the only moderate Arab state with large amounts of unused arable land--to lessen their dependence on Western food imports. The terms of assistance, however, required that a portion of the financing be provided by the Sudanese. For Khartoum, the imports required by new projects further squeezed foreign exchange holdings already stretched by purchases to improve the primitive infrastructure and keep up existing development projects. The badly maintained, and in many areas nonexistent, transportation system has been a major obstacle to development efforts in Sudan, the largest African state with almost one million square miles in area.

As imports rose, export growth lagged. In recent years, government policy has favored domestic food production--notably wheat--at the expense of export crops, particularly cotton. In addition, cotton price increases have been moderated by weak demand in major industrial country markets. At the same time, population growth has outstripped increases in food output preventing any import substitution.

Sudan's international reserves began to fall in 1975, plummeting by some \$100 million, to about \$24 million in July 1978. By March 1978, the foreign exchange situation had reached a precarious state, with Sudanese reserves equivalent to less than half a month's imports. Sudan's credit rating fell to near zero. Almost all lines of credit

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were exhausted, with most major international commercial banks refusing to honor letters of credit from the Bank of Sudan. Debt arrearages as of July 1978 were estimated to be as high as \$300-400 million.

Without sufficient foreign currency to import spare parts and transportation equipment, almost half of the country's 150 locomotives were idled in the second quarter of 1978 and industry still is running at only 40 percent of capacity. The government had difficulty mustering the cash to pay for insecticides essential to protect this year's cotton crop. Inability to make delinquent payments to Iraq for oil imports resulted in the closure of the Port Sudan oil refinery for days at a time, creating shortages of fuel in Khartoum as well as outlying regions of the country.

To prop up its payments position, Sudan solicited aid from individual Arab countries and the International Monetary Fund. Both sources made aid contingent upon acceptance of a reform package including reduced government expenditures and a devaluation. While Numayri was willing to concede to IMF demands for some of the stabilizing measures, he balked at devaluation, fearing that the additional loss of buying power in urban areas would cause serious disturbances and erode support for other policies of his government.

In early June, Numayri finally capitulated, announcing a 20 percent devaluation. This was viewed by the IMF as a major step in the resolution of Sudan's financial problems and led to the conclusion of two IMF loans totaling \$63 million. At the same time, the growth in government expenditures was cut sharply to reduce inflationary pressures. Although a new wage and job classification scheme was developed to boost government wages and mitigate labor unrest that had erupted in a rash of strikes among railroad workers, technicians, and physicians early this year, development expenditures were cut. Plans also were announced to restructure costs and prices in the public agricultural sector to boost export crops.

While these measures eventually should reduce the balance-of-payments deficit, in the interim Sudan will require substantial additional assistance. Saudi Arabia, which has a large stake in Sudan's development, already had begun to supply some relief. In addition to providing debt relief of some \$50 million, the Saudis will supply two million tons of crude oil

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to Sudan on concessional terms. Besides increasing participation in some major Sudanese development projects, the Saudis are expected to provide several hundred million dollars in balance-of-payments support.

Relief is also being provided from other sources. A \$7.3 million loan from the Abu Dhabi-based Arab Monetary Fund for balance-of-payments support was announced in mid-August. Most of Sudan's debt to Kuwait and other Arab states has also been rescheduled. West Europeans have rescheduled \$150 million in official obligations, and commercial banks have rescheduled \$280-300 million in commercial obligations.

#### A Pragmatic Foreign Policy

Following the July 1971 coup attempt, Numayri abruptly altered Sudanese foreign policy. Since then, Sudan has ceased to be identified with radical Arab states, abandoned its dependence on the USSR and other Communist states for military and economic assistance, and has assumed a more pro-Western orientation and concentrated on attracting development aid and assistance from conservative and wealthy Arab states. In the past year Sudanese foreign policy has taken on a somewhat more neutral appearance. Efforts to ease strains in relations with Ethiopia and Libya as well as an apparent improvement in Sudanese-Soviet relations, however, are essentially tactical moves intended to improve Sudanese security and do not represent a significant alteration in Sudan's basically moderate stance.

Over the years, Sudan's primary external concern has been its relationship with Egypt. The Egyptians, who have long sought to control the headwaters of the Nile, have indicated that Sudan is one of the few countries to which Egyptian troops would be deployed if a security threat developed. Sudanese relations with Cairo were good during the early years of the Numayri regime, but deteriorated in the early 1970s when Numayri, as he moved the orientation of his government to the right, purged pro-Egyptian elements from the government. In recent years, relations improved again as the views of both countries on key issues in the Middle East have grown closer. Following the July 1976 coup attempt the two countries signed a mutual defense agreement.

Numayri has been a strong supporter of Egyptian President Sadat's peace initiative since its inception. In the first half of 1978, Numayri, as chairman of the Arab League Solidarity Committee visited a number of Arab states in an as yet unsuccessful effort to reconcile Egypt and Sadat's rejectionist opponents as a preliminary step to an Arab

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summit meeting. Some strains began to appear in relations between the two countries in mid-1978, however, probably because the Egyptians suspect that Numayri may be softening his support for the Egyptian position in the Middle East peace negotiations. The Egyptians, moreover, have been anxious over the return to Sudan of Ansar leader Sadiq al-Mahdi, who reportedly made the adoption of a more neutral foreign policy a condition of his rapprochement with Numayri. The Ansars have traditionally resisted Egyptian attempts to extend their influence in the Sudan, while Cairo has over the years tended to ally itself with the rival Khatmiyyah sect.

Since Numayri has moderated his domestic policies and adopted an anti-Soviet posture, Sudanese relations with the more conservative Arab states, especially Saudi Arabia, have improved markedly. Because of Sudan's increasing dependence on Saudi Arabia for aid and financial support, Numayri is careful not to adopt policies that might offend Saudi leaders. To some degree, Saudi influence may have been responsible for Numayri's decision to seek a reconciliation with his conservative opponents and probably played a large part in Numayri's effort to portray himself as a more devout Muslim.

The end of the civil war in the south allowed Sudan to assume an African as well as an Arab identity--a process that has resulted in Numayri becoming chairman of the Organization of African Unity for the current year. Numayri sees his assumption of the OAU post as a means of opposing Cuban and Soviet presence on the continent and advocating peaceful solutions to disputes that could provide new opportunities for foreign intervention in Africa.

Relations with Moscow have been poor since the 1971 coup attempt, although Numayri has avoided a complete rupture as he has sought alternative sources of military aid and markets for Sudanese cotton. Numayri remains convinced that a major Soviet goal in the Middle East is the removal of Sadat and himself as a first step toward dominating the Arabian Peninsula and Persian Gulf. He suspects that the Soviets were involved in the Libyan-backed effort to overthrow him in July 1976, although there is no evidence to support this.

In June 1977, after the Sudanese expelled the last

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remaining Soviet military experts and ordered the USSR to reduce the size of its embassy, the Soviets recalled their ambassador. In May, the Soviet ambassador returned to Khartoum, possibly partly in response to the release of the local Communists remaining in Sudanese jails. Despite this hostile view of Soviet motives and his concern over expanded Soviet influence in Africa, Numayri apparently welcomed the resumption of correct relations with Moscow as a means of limiting the damage that the Soviets might do to Sudanese interests. Numayri eased the anti-Soviet tone of his speeches in mid-1978 in an effort to appear moderate during the OAU conference, but has since then reverted to the anti-Soviet theme.

Numayri tends to see Libya and Ethiopia as Soviet surrogates. Despite recent moves to improve relations with Tripoli and Addis Ababa, he remains suspicious of the intentions of Mengistu and Qadhafi. His efforts in early 1978 to shore up ties with the two states were motivated by his awareness of Sudan's inability to defend its long and remote borders and his fear that Libya and Ethiopia might exploit the presence of the armed Ansar dissidents within their borders to mount guerrilla attacks into Sudan.

Despite the restoration of Sudanese-Libyan diplomatic relations, which were severed after the July 1976 coup attempt, the Libyans probably will not agree to the quick return to Sudan of all of the 1,000-2,000 Ansar refugees in Libya. Numayri is also concerned that a victory for the Frolinat rebels in their conflict with the Chad Government would result in an extension of Libyan influence in the area. As a consequence, the Sudanese have stepped up their efforts to bring about a negotiated settlement and hope that if a ceasefire can be arranged, the Frolinat leadership will accept reintegration into the Chad Government. The Sudanese regard the Libyan role as the key to whether the rebels agree to a negotiated settlement and although pessimistic about the prospects for peace in Chad, intend to press Tripoli to urge Frolinat leaders to cooperate with mediation efforts.

Efforts by the OAU to mediate between Sudan and Ethiopia have been unsuccessful in easing the strains between the two countries although neither side wants to be responsible for breaking off negotiations. The Sudanese are particularly fearful that fighting between Eritrean secessionists and Ethiopian forces could spill across the border and involve Sudanese forces. The Sudanese have vacillated in their support for the separatists' desire for an independent

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Eritrea, but would now prefer to see the Eritreans granted autonomy within a federation with Ethiopia. While the Sudanese attitude may be in part an appreciation of the inability of the insurgents effectively to challenge an Ethiopia not distracted by a war in the Ogaden and supported by the Cubans and the Soviets, it may also reflect the fear that the better organized Marxist-oriented Eritrean People's Liberation Front (EPLF) would eventually dominate an independent Eritrean state. Moreover, there are an estimated 125,000-150,000 Eritrean refugees in the Sudan, where they constitute a security problem and a drain on the country's meager resources. Numayri apparently has decided that an agreement between the Eritreans and the Mengistu regime that would permit the refugees to return to Eritrea would be preferable to continued fighting and possible Sudanese involvement. As long as the Ethiopians seem intent on a military solution, however, the Sudanese will continue politically to support the insurgents.

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#### US Interests in Sudan

Sudan's location on the Red Sea as well as its potential as a major food exporter and a significant source of raw materials, including iron, copper, and possibly oil, has drawn attention not only from the US but also from Washington's closest West European and Arab friends. A stabilizing force capable of exerting a moderating influence in the Middle East and Africa, Sudan also acts as an obstacle to the expansion of Soviet influence in the area.

In line with its shift in orientation following the July 1971 Communist-led coup away from the radical Arab states and the USSR and toward the West, the Numayri regime in mid-1972 resumed diplomatic relations with the US that had been severed after the 1967 Middle East war. US-Sudanese relations, however, suffered a major setback in June 1974 when Numayri, under pressure from Arab leaders and fearing retaliation by Palestinian groups against Sudanese personnel and installations, released to Egyptian custody the Black September Organization terrorists who had murdered US Ambassador Cleo Noel and Deputy Chief of Mission G. Curtis Moore in March 1973. The US protested and withdrew its ambassador. Although the US ambassador returned five months later and normal contacts were resumed, restrictions

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on aid were maintained until April 1976 when they were dropped as being no longer in the US interest.

In June 1976, when Numayri visited the US and met with President Ford and other officials, modest economic and military aid programs were initiated. In September 1977, in the context of US concern about developments in the Horn of Africa, it was decided to accelerate US support for Sudan. As of mid-1978, US-Sudanese relations are extremely cordial. Sudan and the US share similar viewpoints on major Middle East and African political issues and Sudan has been supportive of US initiatives in these areas. Senior Sudanese officials have indicated that when Numayri is in Washington in mid-September, he will press for stepped-up US assistance to ease Sudan's financial and economic problems and will raise security problems in the region.

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OUTLOOK

Over the short term, the prospects for Numayri's retention of power--barring assassination--appear generally good. Despite some reports of unhappiness in the armed forces over Numayri's program of national reconciliation with former opponents, there is no indication that any group in the military is preparing to move against the regime at the present time. By Sudanese standards, the armed forces are well paid and morale is good. Moreover, recent actions by the government have improved its ability to detect and counter actions by disloyal military groups.

The most immediate threat to the regime appears to be the possibility of serious disorders arising out of public frustration over inflation, shortages of basic commodities and services, and reduced buying power. In an effort to ease public resentment, Numayri has blamed consumer shortages on the recent floods, and has used the disasters as a means of seeking foreign aid. In any event, the army is probably able and willing to control any serious protests that might occur over the next few months.

Numayri's success in persuading Ansar leader Sadiq al-Mahdi to abandon his opposition to the regime, return to Khartoum, and support regime policies has divided the conservative opposition that had backed anti-Numayri coup attempts in 1975 and 1976. The government, however, has as yet been unsuccessful in arranging the return of the armed Ansar dissidents living in Libya and Ethiopia. Although the dissidents do not constitute a direct threat to Numayri's continued rule, as long as they remain outside the country, their use by his opponents--foreign and domestic--for cross-border guerrilla operations into the Sudan is possible. Libyan President Qadhafi probably will refuse to permit the return of a significant number of the Ansars in Libya as long as Numayri supports the Sadat peace initiative. While the Mengistu regime in Ethiopia reportedly has allowed some Ansars to return to Sudan, it will not permit all of them to leave as long as Sudan allows the Eritrean dissidents to be supplied through Sudanese territory.

Over the longer run, unless the hardships felt by the public are eased, civilian unhappiness could affect military attitudes and provide Numayri's opponents with the means of

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moving against the regime. Numayri's effort to persuade former regime opponents to work within the present one-party system is a calculated risk. Although the national reconciliation has eased the immediate threat to the regime posed by the opposition National Front, the incorporation of former opponents into the government could allow them to become a significant force on the political scene.

Numayri, however, will not permit their influence to reach the point where his control over the country and its policies is seriously threatened. Serious disagreements with former members of the opposition probably would force him to reverse the trend toward greater political tolerance and, in turn, stimulate renewed efforts by Numayri's conservative opponents to bring down the regime.

In the south, the renewal of serious fighting is unlikely in the near term. The government's quiet effort to alleviate hardships there, as well as Numayri's considerable popularity among southerners have eased southern concerns for the time being. Relations between the two parts of the country are still delicate, however, and southern leaders tend to judge relations with the north on the basis of how much support and development aid is forthcoming. The limited resources available to the central government will make it difficult to meet the expectations of the southerners. Efforts by southern leaders to make the southern region more economically independent and less vulnerable to northern pressure appear intended to preserve secession as an option and to strengthen the southern negotiating position in dealing with Numayri's successor.

The economic outlook for the Sudan over the short term is not favorable. The loss of some of the cotton crop as a result of the recent flooding in the Gezira Province will reduce the prime source of export earnings. As a consequence, Sudan's growth rate probably will drop and planned development goals will be delayed. Implementation of the economic reform measures, however, should provide greater financial and economic stability over the longer term. Aid inflows will bolster reserves, and the country's credit rating should improve as Arab assistance materializes. The devaluation and the restructuring of agricultural incentives should eventually improve the current account by stimulating export performance.

Successor regimes. In the event Numayri and his supporters were deposed, elements of the armed forces would almost certainly dominate any successor regime. Military officers might be

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encouraged to move against Numayri by widespread government mismanagement and the continued inability of the government to move the economy from the edge of bankruptcy.

If officers opposed to Numayri's national reconciliation policy or concerned over the Numayri regime's support for Egyptian President Sadat's peace initiative were to control a successor government, major changes in foreign and domestic policy would result. The need for continued financial support from conservative Arab states, however, would probably work against abrupt shifts away from the present pro-Western orientation and toward alignment with radical Arab governments.

In the event conservative political groups, such as the Ansar or the Muslim Brotherhood, were involved in an anti-Numayri coup and participated in a successor regime, the foreign policy orientation of the regime probably would remain essentially the same although such a government could be expected to move away from the close identification with Egypt adopted by Numayri. Although leftist elements are still reported to be present in the armed forces, their numbers are probably limited and the possibility of a successor government dominated by the left, with or without Communist support, is less likely.

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CHRONOLOGY

1899-1955	Period of Anglo-Egyptian Condominium.
1955 August	Southern Sudanese dissidents initiate open revolt against government.
1956 January	Sudan achieves full independence.
1958 November	Group of senior army officers seizes control of government. Executive, legislative, and judicial powers concentrated in Supreme Council of the Armed Forces headed by Lt. Gen. Ibrahim Abbud as President.
1964 October	Massive demonstrations force Abbud to abolish Supreme Council. Shortly thereafter he abdicates paving way for return to parliamentary government.
1967 July	Sudan severs relations with United States for alleged support of Israel in Arab-Israeli war.
1969 May	Group of middle-grade army officers, led by Jafar Numayri, seize power. Revolutionary Command Council is formed; its leaders declare solidarity with radical Arab states and announce socialist domestic policies.
1971 July	Numayri regime is deposed by Communist-backed coup, but with support of army regains power after three days. Following "revolution of correction," Numayri reorients Sudanese domestic and foreign policies to the right.
1972 February	Southern dissidents and government representatives meeting in Addis Ababa agree on cease-fire ending almost 17 years of fighting.

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mid-1972	Diplomatic relations with US reestablished.
1975 September	Ansar-backed coup attempt led by Lt. Col. Hassan Hussein Osman put down.
1976 July	Ansar-led Libyan-backed coup attempt narrowly fails.
1977 July	Numayri and exiled Ansar leader Sadiq al-Mahdi meet at Port Sudan. Agreement marks beginning of national reconciliation.
1977 September	Sadiq al-Mahdi returns to Sudan.

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Sudan: The Numayri Regime--Problems and Prospects

Problem

How Regime Has Responded

Outlook

1. Possibility of serious anti-regime riots over commodity and food shortages, power failures, and high inflation.

More direct control by Numayri over critical sectors of economy. Efforts to improve infrastructure. Worst of shortages may be over.

Over the short run, army probably able and willing to put down any civilian disorders. Over the longer run, civilian unhappiness could spread to military.

2. Possibility of coup by military elements.

Military pay and allowances improved; Sudanese arsenal upgraded with acquisition of Western equipment; major counter-intelligence effort initiated in military. Retirements and command changes intended to improve armed forces efficiency and morale.

Anti-Numayri coup unlikely over near term. Loyalty of army over longer term may depend on how regime handles chronic economic problems.

3. Opposition by conservative groups. Ansar Muslim sect behind coup attempts in 1975 and 1976.

Numayri has achieved reconciliation with conservative groups. Return from exile of Ansar leader Sadiq al-Mahdi has split the opposition National Front.

Over short run, chances of move by conservatives against regime lessened, but national reconciliation has given them chance to build base of support in country. Significant numbers of Ansars in Ethiopia (4,000-6,000) and in Libya (1,000-2,000) have not returned.

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Problem

How Regime Has Responded

Outlook

4. Continued tension between southerners and central government. Southern leaders nervous over national reconciliation and trend toward greater Islamization.
5. Possibility that conflict between Ethiopians and Eritrean secessionists could spill over into Sudan and involve Sudanese forces.
6. Serious balance-of payments problems as a consequence of upsurge in development expenditures.

1972 Addis Ababa agreement provided greater autonomy for the south, including establishment of Southern Regional Assembly. Numayri's personal popularity in south and moves to alleviate shortages in south makes renewed fighting in near future highly unlikely.

Defense strengthened. Numayri attempted to improve relations with Ethiopia both bilaterally and through OAU. Sudan, however, has not reduced support for Eritreans.

Numayri agreed in June to IMF financial reform package, including 20 percent devaluation against the dollar and decreased government expenditures; Sudan received IMF loans and wealthy Arab states rescheduling loans and providing aid.

Southern efforts to become more economically independent and to rely less on north probably intended to improve bargaining position with a Numayri successor.

Over the short run, both sides will probably continue to show restraint; some progress toward improved relations is possible. Over the longer run, continued support for Eritreans could lead to deterioration in relations.

Devaluation and efforts to improve export picture should provide greater economic stability, but Sudan will continue to need balance-of-payments support for some years.

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